VII INTERNATIONAL ACTIVITIES RELATED TO COMMERCE RESOURCE AND ASSET MANAGEMENT

A. Build sustainable fisheries that increase the Nation's wealth and quality of life, support increased fishing industry job opportunities, improve the safety and wholesomeness of seafood resources, and expand recreation opportunities.

Living marine resources do not recognize geopolitical boundaries. Therefore, effective management of these resources often requires international cooperation. The U.S. is party to numerous international and regional fisheries management organizations that cooperatively manage species which migrate beyond national boundaries. The U.S. will continue to work to implement several important recently concluded international agreements to improve fisheries management. These include the U.N. Agreement on Straddling and Highly Migratory Fish Stocks, the U.N. Food and Agriculture Organization (FAO) Reflagging Agreement, the Panama Declaration, and the FAO Code of Conduct for Responsible Fisheries.

B. Recover protected species through conserving marine species, recovering those in danger of extinction, and maintaining healthy marine ecosystems upon which they depend.

NOAA will continue to seek international cooperation to recover many depleted, threatened or endangered species that migrate beyond national waters. The U.S. is currently negotiating a convention to protect endangered sea turtles and has been a member of the International Whaling Commission (IWC), which was founded to halt the worldwide decline in whales, for almost fifty years. The U.S. is an active party to the Convention on International Trade in Endangered Species of Wild Flora and Fauna, which limits trade in threatened and endangered species. The U.S. has also sought to enhance the protection of endangered species through the imposition of trade sanctions against countries who do not implement conservation measures for dolphins, sea turtles, whales and other species.

C. Sustain healthy coasts to achieve more productive and diverse habitats for fish and wildlife, cleaner coastal waters for recreation and the production of seafood, and sustainable economies for coastal communities based on well-planned development and healthy ecosystems.

NOAA is actively involved in assisting sustainable management of coastal resources in nations adjacent to, and far beyond, U.S. borders. NOAA has provided technical and other support internationally in coastal zone management, the development of marine and coastal protected areas, the reduction of land-based sources of marine pollution, and the conservation and restoration of coastal habitats and their biodiversity. For example, coral reefs and related ecosystems found within tropical and sub-tropical coastal environments are of particular international concern due to serious patterns of degradation and risk,

primarily from anthropogenic stresses. NOAA has taken an active role to contribute to these and other international concerns for coastal resources including The International Coral Reef Initiative, The Convention on Biological Diversity, the Framework Convention on Climate Change, and The Global Plan of Action to Protect the Marine Environment from Land-Based Activities.

D. Grant exclusive rights, for limited times, to inventors for their discoveries, and enhance trademark protection.

The U.S. plays a pivotal role in intellectual property rights policy development at home and abroad. In cooperation with the State Department, the U.S. Trade Representative, and ITA, the PTO participates in efforts to improve international standards for the protection of intellectual property, thereby enhancing Americans' ability to obtain intellectual property protection abroad. The PTO participates actively in negotiations regarding agreements to improve protection for patents, trademarks, copyrights, industrial designs, and plant varieties, and collaborates on activities leading to enhanced dissemination of patent information, and shared information on best practices in processing patent applications and automating systems.

E. Promote the development of an advanced telecommunications and information infrastructure to efficiently serve the needs of all Americans, create job opportunities for American workers, and enhance the competitiveness of U.S. industry in the global marketplace.

The NTIA coordinates and represents the U.S. government position in all international frequency allocation and standards-setting conferences affecting the radio frequency spectrum. These international negotiations have significant implications for the domestic public and private sector use of the frequency spectrum in the U.S.

VIII EXTERNAL FACTORS, AND CURRENT TRENDS AND ISSUES AFFECTING COMMERCE RESOURCES

A. Build sustainable fisheries that increase the Nation's wealth and quality of life, support increased fishing industry job opportunities, improve the safety and wholesomeness of seafood resources, and expand recreation opportunities.

To reduce overcapitalization in commercial fisheries, NOAA has been moving in the direction of establishing some form of access controls. In addition to IFQs, NOAA also has been considering the establishment of Individual Transferrable Quotas (ITQs) in some of its fisheries as a means of addressing the common property resource problem by using a market-based mechanism with clear transferability. ITQs are intended to have the effect of promoting efficiency within a fishery, creating an incentive to conserve the resource on the part of individual fishermen, and reducing the overall transaction costs associated with engaging in the fishery.

In the recently reauthorized Magnuson-Stevens Act, a moratorium was established on the development of any new IFQ or ITQ-based fisheries until October 2000. In the interim, a study of IFQ-type programs is being conducted by the National Academy of Sciences, in consultation with the Secretary of Commerce and the Regional Fishery Management Councils, and will produce recommendations on implementing a national IFQ policy.

NOAA's goal of building sustainable fisheries is based on the successful accomplishment of objectives that in part are dependent on external factors. Under law, marine fisheries management is achieved by NOAA in close cooperation with the Congressionally-established Fishery Management Councils, regional Marine Fishery Commissions, numerous State, Federal, tribal, trust and international partners, and non-governmental organizations representing the commercial and recreational fishing and conservation communities.

The long-standing tradition of open access to fisheries that has existed in the U.S. and throughout the world has resulted in serious overcapitalization. Attempts to limit catch of overutilized species, reduce vessel over-capacity and minimize wasteful bycatch, have been strongly opposed by already economically stressed fishery participants and their communities. Allocation decisions between commercial, recreational and tribal fisheries have become controversial, and an increasing number of cases are requiring action at the highest levels of the Federal government, resulting in costly litigation. These factors are exacerbated by uncertainty in scientific information and the need for approaches to help the fishing industry and affected coastal communities through the rebuilding period.

B. Recover protected species through conserving marine species, recovering those in danger of extinction, and maintaining healthy marine ecosystems upon which they depend.

Since the passage of the Endangered Species Act in 1973, NOAA has made significant progress in recovering protected species. Many marine species that were once threatened with extinction, have stabilized and begun to recover. One of NOAA's greatest successes to date has been the recovery of the Gray Whale and its subsequent removal from the endangered species list. However, other recently endangered species continue to decline. NOAA has sought to improve the effectiveness of those recovery efforts by shifting from an exclusive focus on fisheries-related causes of mortality to focusing on all of the problems facing depleted, threatened, and endangered species. These threats include pollution, habitat destruction and removal of prey.

Numerous external factors contribute to the decline of living marine resources. Many human activities contribute to habitat loss, including offshore and coastal development, vessel traffic, and water diversions. A lack of scientific information on which to base decisions complicates effective resource protection. For example, cumulative effects of long-term exposure to human activities, climatic and oceanographic influences and levels of mortality from interactions with fishing activities are poorly understood.

Successful conservation of protected marine resources requires the cooperation of stakeholders, including government agencies, conservation organizations, and user groups and individuals whose knowledge and experience are necessary for effective partnerships in conservation. Approaches to protect and recover depleted, threatened and endangered marine resources can affect land and marine commercial and recreational pursuits. Management decisions may result in controversy over the uses of private property, impacts to major economic sectors (such as mining, logging and hydropower), and allocation of marine resources between human consumption and prey for protected resources.

C. Sustain healthy coasts to achieve more productive and diverse habitats for fish and wildlife, cleaner coastal waters for recreation and the production of seafood, and sustainable economies for coastal communities based on well-planned development and healthy ecosystems.

One out of every two Americans lives in a coastal area. That is 116 million people in only 10% of the U.S. land area. By 2010, coastal populations will increase 65 % from 80 million in 1960 to 132 million. Increasing coastal populations and the cumulative effects of human activities are the major threat to the future health and productivity of coastal ecosystems. NOAA's information and management capabilities will help prevent careless or uninformed development decisions that lead to continued losses from natural disasters, losses of habitats for commercial and recreational species, negative impacts on tourism and other coastal businesses, and degraded coastal water quality. The social and economic consequences of

this degradation are extremely high. Avoiding these outcomes requires continued support for NOAA's coastal science, monitoring, management, and education activities.

Several external factors may hinder NOAA's ability to achieve their goal of sustaining healthy coasts. Divergent national policies, for example, may prevent achievement of certain objectives. Different policies guiding agricultural practices and regulated run-off into coastal watersheds, or land-use and development in the coastal fringe, may prevent progress on issues such as reducing coastal nonpoint source pollution and reducing the costs of hurricanes and other natural disasters. There is a clear need to harmonize national policies to sustain healthy coasts. Similarly, differences between Federal, State and/or tribal interests and abilities will affect achievement of the goal. NOAA relies on many of these and other partners for implementation of programs, enforcement of regulations, and monitoring of performance.

D. Grant exclusive rights, for limited times, to inventors for their discoveries, and enhance trademark protection.

There has been a significant increase in the number of patent and trademark applications being filed at the PTO. In part, this can be attributed to a more competitive global marketplace, and the need to secure protection of intellectual property throughout the world. This, in turn, leads to a greater demand for access to patent and trademark information. As American businesses expand their operations across international boundaries, there is greater demand for global protection. PTO continues to work with its trilateral partners to explore potential opportunities for enhancing global protection of intellectual property.

Domestically, the PTO is seeing a greater emphasis on assigning economic value to patents and trademarks. Businesses frequently include the ownership of patents as part of their financial portfolio, and have begun to list these patents as assets in a manner similar to other property rights on financial income statements. Prominent and strong trademarks continue to command significant renumeration as companies are bought and sold.

E. Promote the development of an advanced telecommunications and information infrastructure to efficiently serve the needs of all Americans, create job opportunities for American workers, and enhance the competitiveness of U.S. industry in the global marketplace.

The radio frequency spectrum is an extremely limited, but highly sought-after resource. Needs in this area of Commerce resource management include promotion of efficient usage through technical and economic means and promotion of technological innovation.

F. Enable communities that have acquired military installations during the recent defense downsizing to convert their use to civilian functions for local economic benefit,

G. Enable communities to achieve long-term economic recovery from the devastation of their productive resources by natural disasters, and

H. Enable distressed communities to practice and implement sustainable economic development.

Current trends toward adoption of sustainable development practices affirm EDA's founding principles. From its establishment more than thirty years ago, EDA's various programs have served as the model for sustainable economic development at the local level. All of EDA's construction and implementation assistance is based on comprehensive, inclusive local planning that considers all aspects of the economic, social and natural resource bases. This foundation is regularly bolstered by updated analyses and adoption of lessons from previous implementation efforts.

A further opportunity is presented to EDA by the renewed interest in the redevelopment of Brownfields. Recent activities at the Federal and local level present opportunities to exploit EDA's experience, flexibility and expertise.

Challenges remain: In the area of defense adjustment assistance, the need for Federal economic development assistance is acute. More than 1.6 million jobs were lost in the defense industry between 1988 and 1997 in the wake of closures or realignments targeted by the Base Realignment and Closure Commission (BRAC). The BRAC announced that 119 bases are to be closed or realigned by the year 2001, of which only 51 were closed through September, 1996. EDA has provided defense conversion assistance to only 63 of the affected bases thus far. Continued limitation of resources, or possible elimination of funding for defense adjustment assistance will frustrate the ability of communities adversely affected by Federal policies and decisions to respond to the economic dislocation caused thereby.